

ASSEMBLY BILL

No. 838

Introduced by Assembly Member Saldana

February 18, 2005

An act to add and repeal Sections 17052.11 and 23611 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 838, as introduced, Saldana. Income and corporation taxes: credits: hybrid vehicles.

The Personal Income Tax Law and the Corporation Tax Law authorize various credits against the taxes imposed by those laws.

This bill would authorize a credit against those taxes for each taxable year beginning on or after January 1, 2005, and before January 1, 2013, in an amount equal to the vehicle license fees paid during the taxable year for the registration of a hybrid vehicle, as defined.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 17052.11 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 17052.11. (a) For each taxable year beginning on or after
- 4 January 1, 2005, and ending on or before December 31, 2012,
- 5 there shall be allowed as a credit against the "net tax," as defined
- 6 in Section 17039, an amount equal to the annual vehicle license

1 fee paid during the taxable year for the registration or renewal of
2 the registration of a qualified vehicle.

3 (b) For purposes of this section a “qualified vehicle” means
4 any vehicle that qualifies as either of the following:

5 (1) A hybrid vehicle or an alternative fuel vehicle that meets
6 California’s advanced technology partial zero-emission vehicle
7 (AT PZEV) standard for criteria pollutant emissions and has a
8 _____ miles per gallon or greater fuel economy highway rating.

9 (2) A hybrid vehicle that has a _____ miles per gallon or greater
10 fuel economy highway rating, and meets California’s ultra-low
11 emission vehicle (ULEV), super ultra-low emission vehicle
12 (SULEV), or partial zero-emission vehicle (PZEV) standards.

13 (c) In the case where the credit allowed by this section exceeds
14 the “net tax,” the excess may be carried over to reduce the “net
15 tax” in the following year, and succeeding years if necessary,
16 until the credit is exhausted.

17 (d) This section shall remain in effect only until January 1,
18 2013, and as of that date is repealed.

19 SEC. 2. Section 23611 is added to the Revenue and Taxation
20 Code, to read:

21 23611. (a) For each taxable year beginning on or after
22 January 1, 2005, and ending on or before December 31, 2012
23 there shall be allowed as a credit against the “tax,” as defined in
24 Section 23036, an amount equal to the annual vehicle license fee
25 paid during the taxable year for the registration or renewal of the
26 registration of a qualified vehicle.

27 (b) For purposes of this section a “qualified vehicle” means
28 any vehicle that qualifies as either of the following:

29 (1) A hybrid vehicle or an alternative fuel vehicle that meets
30 California’s advanced technology partial zero-emission vehicle
31 (AT PZEV) standard for criteria pollutant emissions and has a
32 _____ miles per gallon or greater fuel economy highway rating.

33 (2) A hybrid vehicle that has a _____ miles per gallon or greater
34 fuel economy highway rating, and meets California’s ultra-low
35 emission vehicle (ULEV), super ultra-low emission vehicle
36 (SULEV), or partial zero-emission vehicle (PZEV) standards.

37 (c) In the case where the credit allowed by this section exceeds
38 the “tax,” the excess may be carried over to reduce the “tax” in
39 the following year, and succeeding years if necessary, until the
40 credit is exhausted.

- 1 (d) This section shall remain in effect only until January 1,
- 2 2013, and as of that date is repealed.
- 3 SEC. 3. This act provides for a tax levy within the meaning of
- 4 Article IV of the Constitution and shall go into immediate effect.

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